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IN THE UNITED STATES DISTRICT COURT OF GUAM

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15 CHROME HEARTS LLC.,)
16 Plaintiff,)
17 vs.)
18 ALMA SHOP; JUNG WOO NAM;)
19 HAPPY HAPPY GIFT SHOP; BON SUN)
AHN; GUAM PALM CORPORATION)
20 doing business as HAWAIIAN SILVER;)
YOUNG SAN NICOLAS; 925 MINE; HUNG)
21 BUM CHOI; ASHINN SHIATSU)
MASSAGE; GARDEN JEWELRY;)
22 SHAN PIAO; A+ ACCESSORY PLUS dba)
KYODIA; and KAWAII GIFT SHOP;)
UNE JOO CHUNG,)
24 Defendants.)
25 _____)

CIVIL CASE NO. 08-00009

COMPLAINT

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FILED
DISTRICT COURT OF GUAM

JUL 24 2008 P.D.

JEANNE G. QUINATA
Clerk of Court

1 Plaintiff CHROME HEARTS LLC., by its attorneys, as and for its Complaint, alleges as
2 follows:

3 **THE PARTIES**

4 1. Plaintiff CHROME HEARTS LLC. ("Chrome Hearts") is a limited liability
5 company organized and existing under the laws of the State of Delaware, with a principal office
6 and place of business at 915 N. Mansfield, Hollywood, California 90038.

7 2(a) Upon information and belief, defendant ALMA SHOP is an entity of unknown
8 character organized and existing under the laws of Guam, having an office and place of business at
9 The Tumon Market Place, Lot 5076-3-2-R2 NEW-R-1, Tumon, Guam 96911. ALMA SHOP is
10 transacting and doing business this Judicial District and has committed the acts complained of
11 herein within this Judicial District. ALMA SHOP is subject to the jurisdiction of this Court
12 pursuant to the laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

13 2(b) Upon information and belief, defendant JUNG WOO NAM is an individual
14 having an office and place of business at the Alma Shop at The Tumon Market Place, Lot 5076-3-
15 2-R2 NEW-R-1, Tumon, Guam 96911, and is the conscious, dominant and active force behind the
16 wrongful acts of defendant ALMA SHOP complained of herein, which wrongful acts he has
17 engaged in for the gain and benefit of defendant ALMA SHOP and for his own individual gain and
18 benefit. Defendant JUNG WOO NAM is subject to the jurisdiction of this Court pursuant to the
19 laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

20 3(a) Upon information and belief, defendant HAPPY HAPPY GIFT SHOP is an entity
21 of unknown character organized and existing under the laws of Guam, having an office and place
22 of business at Lot 5076-3-4-1-R1, Tumon, Guam. HAPPY HAPPY GIFT SHOP is transacting and
23 doing business within this Judicial District and has committed the acts complained of herein

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1 within Guam. **HAPPY HAPPY GIFT SHOP** is subject to the jurisdiction of this Court pursuant to the
2 laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

3 3(b) Upon information and belief, defendant **BONG SUN AHN** is an individual
4 having an office and place of business at Happy Happy Gift Shop at Lot 5076-3-4-1-R1,Tumon,
5 Guam, and is the conscious, dominant and active force behind the wrongful acts of defendant
6 **HAPPY HAPPY GIFT SHOP** complained of herein, which wrongful acts he/she has engaged in for
7 the gain and benefit of defendant **HAPPY HAPPY GIFT SHOP** and for his/her own individual gain
8 and benefit. Defendant **BONG SUN AHN** is subject to the jurisdiction of this Court pursuant to the
9 laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

10 4(a) Upon information and belief, defendant **GUAM PALM CORPORATION** is a
11 corporation organized and existing under the laws of Guam, doing business under the fictitious
12 name of **HAWAIIAN SILVER**, having an office and place of business at The Plaza, Lot 5076-3-2-
13 R2 NEW-A-1,Tumon, Guam 96913. **GUAM PALM CORPORATION** is transacting and doing
14 business within this Judicial District and has committed the acts complained of herein within
15 Guam. **GUAM PALM CORPORATION** is subject to the jurisdiction of this Court pursuant to the
16 laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

17 4(b). Upon information and belief, Defendant **YOUNG SAN NICOLAS** is an individual
18 having an office and place of business at Guam Palm Corporation at The Plaza, Lot 5076-3-2-R2
19 NEW-A-1,Tumon, Guam 96913, and is the conscious, dominant and active force behind the
20 wrongful acts of defendant **GUAM PALM CORPORATION** complained of herein, which wrongful
21 acts he/she has engaged in for the gain and benefit of defendant **GUAM PALM CORPORATION** and
22 for his/her own individual gain and benefit. Defendant **YOUNG SAN NICOLAS** is subject to the
23 jurisdiction of this Court pursuant to the laws of the United States and Rule 4 of the Federal Rules
24 of Civil Procedure.

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1 5(a). Upon information and belief, defendant **925 MINE** is an entity of unknown
2 character organized and existing under the laws of Guam, having an office and a place of business
3 at 1225 Pale SN VIT RD S22, Tumon, Guam 96913. Defendant **925 MINE** is transacting and doing
4 business within this Judicial District and has committed the acts complained of herein within
5 Guam. Defendant **925 MINE** is subject to the jurisdiction of this Court pursuant to the laws of the
6 United States and Rule 4 of the Federal Rules of Civil Procedure.
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8 5(b). Upon information and belief, Defendant **HUNG BUM CHOI** is an individual
9 having an office and a place of business at 925 Mine at 1225 Pale SN VIT RD S22, Tumon, Guam
10 96913, and is the conscious, dominant and active force behind the wrongful acts of defendant **925**
11 **MINE** complained of herein, which wrongful acts he/she has engaged in for the gain and benefit of
12 defendant **925 MINE** and for his/her own individual gain and benefit. Defendant **HUNG BUM CHOI**
13 is subject to the jurisdiction of this Court pursuant to the laws of the United States and Rule 4 of
14 the Federal Rules of Civil Procedure.
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16 6. Upon information and belief, defendant **ASHINN SHIATSU MASSAGE** is an
17 entity of unknown character organized and existing under the laws of Guam, having an office and
18 a place of business at The Pacific Shopping Center, Tumon, Guam 96913, and is transacting and
19 doing business within this Judicial District and has committed the acts complained of herein
20 within Guam. Defendant **ASHINN SHIATSU MASSAGE** is subject to the jurisdiction of this Court
21 pursuant to the laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.
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23 7(a). Upon information and belief, defendant **GARDEN JEWELRY** is an entity of
24 unknown character organized and existing under the laws of the Guam, having an office and a
25 place of business at The Grand Plaza Hotel, 1024 San Vitores Road, Tumon, Guam 96911, and is
26 transacting and doing business within this Judicial District and has committed the acts complained
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1 of herein within Guam. Defendant **GARDEN JEWELRY** is subject to the jurisdiction of this Court
2 pursuant to the laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.

3 7(b) Upon information and belief, previously named defendant **FEN SHAN PIAO** has
4 an office and a place of business at Garden Jewelry at The Grand Plaza Hotel, 1024 San Vitores
5 Road, Tumon, Guam 96911 and is the conscious, dominant and active force behind the wrongful
6 acts of defendant **GARDEN JEWELRY** complained of herein, which wrongful acts he/she has
7 engaged in for the gain and benefit of defendant **GARDEN JEWELRY** and for his/her own
8 individual gain and benefit.

9 8. Upon information and belief, defendant **A+ ACCESSORY PLUS** is an entity of
10 unknown character organized and existing under the laws of Guam, having an office and a place
11 of business at Space #54 Market Place, Lot 5076-3-2-R2-NEW A1Tumon, Guam 96913, and is
12 transacting and doing business within this Judicial District and has committed the acts complained
13 of herein within Guam. Defendant **A+ ACCESSORY PLUS** is subject to the jurisdiction of this
14 Court pursuant to the laws of the United States and Rule 4 of the Federal Rules of Civil Procedure.
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16 9(a) Upon information and belief, defendant **KAWAII GIFT SHOP** is an entity of
17 unknown character organized and exiting under the laws of Guam, having an office and a place of
18 business at Park Arcade V111 S Vitor, Barrigada, Guam 96913. Defendant **KAWAII GIFT SHOP** is
19 transacting and doing business within this Judicial District, has committed the acts complained of
20 herein within Guam, and is subject to the jurisdiction of this Court pursuant to the laws of the
21 United States and Rule 4 of the Federal Rules of Civil Procedure.
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23 9(b) Upon information and belief, previously named defendant **UNE JOO CHUNG**
24 has an office and a place of business at Kawaii Gift Shop at Park Arcade V111 S Vitor, Barrigada,
25 Guam 96913 and is the conscious, dominant and active force behind the wrongful acts of
26 defendant **KAWAII GIFT SHOP** complained of herein, which wrongful acts he/she has engaged in
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1 for the gain and benefit of defendant KAWAII GIFT SHOP and for his/her own individual gain and
2 benefit.

3 Defendants ALMA SHOP, JUNG WOO NAM, HAPPY HAPPY GIFT SHOP, BONG SUN AHN,
4 HAWAIIAN SILVER, YOUNG SAN NICOLAS, 925 MINE; HUNG BUM CHOI, ASHINN HIATSU
5 MASSAGE, GARDEN JEWELRY, FEN SHAN PIAO, A+ ACCESSORY PLUS dba KYODIA, KAWAII
6 GIFT SHOP, and UNE JOO CHUNG are hereinafter collectively referred to as "Defendants."

7 **JURISDICTION**

8 10. The first claim herein arises under the Copyright Laws of the United States, 17
9 U.S.C. §101, *et seq*; the second and third claims herein arise under the Federal Trademark Act of
10 1946, 15 U.S.C. §1051 *et seq.*; the fourth claim herein arises under the federal anti-dilution law,
11 the Lanham Act §43(c) (15 U.S.C. §1125(c)) and, accordingly, subject matter jurisdiction for these
12 claims is conferred on this Court by virtue of 15 U.S.C. §1121, 48 U.S.C. §1424, as well as 28
13 U.S.C. §1338(a).

15 11. The remaining claim herein arises under the laws of unfair competition and the
16 statutes of Guam and are claims joined with substantial and related claims under the trademark
17 laws of the United States and, accordingly, subject matter jurisdiction for the fourth claim is
18 conferred on this Court by virtue of 28 U.S.C. §1338(b) and the doctrine of pendent jurisdiction.
19

20 12. Venue is founded on 28 U.S.C. §1391 (b) and (c) and §1400(a).

21 **COMMON ALLEGATIONS**

22 13. Chrome Hearts has been designing, manufacturing and selling artistically styled
23 leather goods, apparel, jewelry and accessories since early 1989.

24 14. All Chrome Hearts goods or the packaging thereof bear the trademark CHROME
25 HEARTS.

26 15. Chrome Hearts sells a wide variety of quality artistic products, including leather
27 pants, leather jackets, leather vests, sterling silver jewelry, including necklaces, bracelets, rings

1 and wallet chains, belt buckles and a wide collection of other products, including its line of
2 custom, one-of-a-kind furniture.

3 16. Chrome Hearts pioneered the idea of combining the look of rugged motorcycle
4 looking apparel with fashion attire to make fashion apparel and accessories. All of Chrome
5 Hearts' leather products are adorned with sterling silver hardware, including all of the buttons and
6 ornamental pieces. Chrome Hearts further pioneered the look of suede inlay designs in connection
7 with leather clothing. Once thought of as only a look for outlaw motorcyclists, Chrome Hearts has
8 created a fashion niche that is now coveted in the upper most fashion circles.

10 17. Entertainers such as Cher, Billy Idol, Aerosmith, Lenny Kravitz, Guns N' Roses,
11 Seal, Madonna, Keith Richards, Danny Glover, Sting, Gloria Estefan, Christy Turlington, Naomi
12 Campbell and Sharon Stone can all be seen in Chrome Hearts' fashions. Chrome Hearts products
13 are sold in only the most prestigious stores, such as Bergdorf Goodman of New York, Colette of
14 Paris and Browns of London and in the Chrome Hearts boutiques in Hawaii, Las Vegas, New
15 York City, Los Angeles, Malibu, Japan, Hong Kong, and TaiPei.

17 18. In 1993, the Council of Fashion Designers of America ("CFDA") presented
18 Plaintiff Chrome Hearts with an unsolicited award as designer of the year for its innovated
19 accessories and jewelry designs.

20 19. All Chrome Hearts products are hand made in Los Angeles by Chrome Hearts'
21 craftsmen. The level of expert workmanship exercised by these individuals is superior and
22 conforms with the strict standards established by Chrome Hearts.

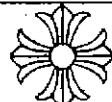
24 20. Works designed by Chrome Hearts have been praised and recognized in numerous
25 articles appearing in both trade publications and publications directed to the general public around
26 the world, including articles in the United States, Germany, Japan and France. These articles have

1 acclaimed the high artistry, fashion and style of Chrome Hearts' designs and the uniqueness of the
2 designs.

3 21. Since 1991, Chrome Hearts' products have generated sales at retail of over Three
4 Hundred and Fifty Million Dollars (\$350,000,000).

5 22. Plaintiff Chrome Hearts is the owner of numerous trademark registrations,
6 including but not limited to the below U.S. Registrations:
7

8	MARK IMAGE	MARK	Reg. No.	Reg. Date	Int. Class
9	CHROME HEARTS	CHROME HEARTS	1,665,791	11/26/1991	14,18, 25,26
11		CHROME HEARTS plus Horseshoe Design	2,307,126	1/11/2000	14
14		CHROME HEARTS plus Dagger Design	2,284,625	10/2/1999	14
18		CHROME HEARTS plus Scroll Design	2,216,570	1/5/1999	14
20		Dagger Heart Design	2,407,915	11/28/2000	14
24		CH Design (stylized)	2,954,539	5/24/2005	14

1		Cemetery Design	3,385,415	2/19/2008	14
5		CH plus Design	3,385,449	2/19/2008	14

(collectively referred to herein as the "Chrome Hearts Mark"). Chrome Hearts is entitled to the exclusive use and benefit of all of its Registrations. Copies of these Registrations are annexed hereto and collectively identified as *Exhibit 1*.

11 23. The Chrome Hearts Mark has come to identify, in the United States and throughout
 12 the world, high quality leather fashions, apparel, jewelry, furniture and accessories designed and
 13 manufactured by Chrome Hearts.

14 24. Among many other copyright registrations, Chrome Hearts is the owner of the
 15 following U.S. Copyright Registrations for jewelry designs registered in the United States
 16 Copyright Office, and is entitled to the exclusive use thereof:

<u>Name of Design</u>	<u>Copyright Registration No.</u>	<u>Registration Date</u>
Pendants & Necklaces		
Celtic Chain Necklace	VA 642-742	3/28/95
Celtic Pendant	VA 642-743	3/28/95
Fancy Chain Link	VA 642-746	3/28/95
CH Cross	VA 705-193	3/28/95
Filigree Cross	VA 705-194	3/28/95
Star	VA 705-195	3/28/95
CH Fleur	VA 705-196	3/28/95
Dagger	VA 705-197	3/28/95
Floral # 1	VA 705-198	3/28/95
Roller	VA 705-199	3/28/95

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1	Barrel	VA 705-231	3/28/95
2	Cross Ball	VA 705-232	3/28/95
3	Filigree Pull Pendant w/Bolo Tips	VA 912-283	3/13/98
4	Filigree Pull Fancy Pendant w/Bolo	VA 912-284	3/13/98
5	Star Charm	VA 946-986	11/6/98
6	Cross Crimp	VA 946-987	11/6/98
7	Campana Pendant	VA 946-988	11/6/98
8	Cross Band Pendant	VA 946-991	11/6/98
9	Scroll Band Pendant	VA 946-992	11/6/98
10	Campana Cross	VA 946-994	11/6/98
11	Dagger Heart	VA 952-071	2/26/99
12	Vulcan Cross	VA 954-730	11/6/98
13	Cemetery, CH Cross & Dagger Tags	VA 967-376	5/25/99
14	Celtic Cross	VA 967-378	5/25/99
15	Framed Charms (BS Fleur Star, Claw)	VA 967-385	5/25/99
16	Cross, Dagger Dog Tag Pendants	VA 1-045-308	7/7/00
17	Fleur Dagger Dog Tag Pendant	VA 1-045-309	7/7/00
18	X-Small Celtic Cross Pendant	VA 1-045-324	7/7/00
19	<u>Bracelets</u>		
20	Three Cross Bracelet	VA 642-736	3/28/95
21	Dagger Bracelet	VA 642-737	3/28/95
22	Cuff Bracelet	VA 642-744	3/28/95
23	Floral Cross Bracelet	VA 689-392	3/28/95
24	Claw Link	VA 705-200	3/28/95
25	Celtic ID Bracelet	VA 912-280	3/13/98
26	Narrow V Band Celtic	VA 912-281	3/13/98
27	Classic Keeper Bracelet	VA 912-282	3/13/98
28	Floral Cross Cuff Bracelet	VA 912-285	3/13/98
29	Filigree I Link Bracelet	VA 912-286	3/13/98
30	Filigree ID Bracelet	VA 912-287	3/13/98
31	Filigree Teardrop Cuff	VA 912-288	3/13/98
32	Star Link Bracelet	VA 946-985	11/6/98
33	Spider Link Bracelet	VA 946-990	11/6/98
34	Keeper Link Bracelet	VA 946-993	11/6/98

1	BS Fleur H Link Bracelet	VA 964-910	3/13/98
2	BS Fleur Bracelet	VA 964-911	3/13/98
3	H Link Cross Bracelet	VA 964-913	3/13/98
4	I - Link Claw Bracelet	VA 967-379	5/25/99
5	I - Link Cross Bracelet	VA 967-380	5/25/99
6	I - Link Floral Bracelet	VA 967-381	5/25/99
7	Narrow V Band Bracelet	VA 967-382	5/25/99
8	#1 Celticball Bracelet	VA 1-045-306	7/7/00
9	#1 Multi Ball Bracelet w/BS Fleur	VA 1-045-307	7/7/00

Rings

10	Floral Ring	VA 642-738	3/28/95
11	K & T Ring	VA 642-745	3/28/95
12	Dagger Ring	VA 642-747	3/28/95
13	Floral Cross	VA 705-230	3/28/95
14	SBT Band Ring	VA 946-989	11/6/98
15	BS Fleur Wide V Band Ring	VA 964-912	3/13/98
16	CH X-Narrow V Band Ring	VA 964-914	3/13/98
17	Dog in Band Ring	VA 1-045-310	7/7/00
18	Wide Spider Band	VA 1-128-314	4/26/02
19	Eternity Vine Band	VA 1-128-315	4/26/02
20	Big Claw	VA 1-128-317	4/26/02
21	Single Wide Vine Band	VA 1-128-318	4/26/02
22	Double Narrow Vine Band	VA 1-128-320	4/26/02
23	Spider In Band	VA 1-128-321	4/26/02

Buttons

22	Celtic Button	VA 705-191	3/28/95
23	Cross #4	VA 705-233	3/28/95
24	Horseshoe Button	VA 967-377	5/25/99

Key Rings

27	Roller Key Ring	VA 705-201	3/28/95
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These works are collectively referred to herein as the "Copyrighted Works". Annexed hereto and collectively identified as *Exhibit 2* are copies of the Copyright Registrations for the Copyrighted Works.

25. Chrome Hearts has duly complied in all respects with the provisions of Title 17 of the United States Code, and has secured the rights and privileges accorded to the works protected by the copyright laws.

**DEFENDANTS' INFRINGING ACTIVITIES
COPYRIGHT INFRINGEMENT UNDER 17 U.S.C. § 101 ET SEQ.**

COUNT I

10 26. Plaintiff Chrome Hearts repeats and realleges every allegation contained in paragraphs
11 1 through 25 hereof as though fully set forth herein.

12 27. As the owner of the Copyrighted Works, Plaintiff Chrome Hearts is entitled to
13 exclusively use these designs without the unauthorized use by third parties. Given the widespread
14 popularity of the Chrome Hearts designs, Defendants had access to the works and upon
15 information and belief Defendants have knowingly infringed upon Chrome Hearts' respective
16 copyrights in its designs by manufacturing, distributing and selling substantially similar copies of
17 the Chrome Hearts' designs to the public in violation of 17 U.S.C. § 501.
18

19 28. Upon information and belief, Defendants have intentionally, knowingly and willfully
20 copied Chrome Hearts' Copyrighted Works to benefit from the widespread customer recognition
21 and acceptance of the Chrome Hearts' designs and to capitalize upon the market created by
22 Plaintiff Chrome Hearts for its designs. Defendants have manufactured and sold their counterfeit
23 and infringing copies to various customers throughout the United States, including within this
24 judicial district.

26 29. Upon information and belief, the aforesaid infringement by Defendants of Plaintiff
27 Chrome Hearts' Copyrighted Works was and continues to be with the knowledge that such

designs are copyrighted and the Defendants, in doing the acts complained of herein, have willfully infringed upon Chrome Hearts' rights under the Copyright Laws of the United States, Title 17 U.S.C. § 101, *et seq.*

30. Defendants' copies of Chrome Hearts' Copyrighted Works are identical to Plaintiff Chrome Hearts' genuine Copyrighted Works. There can be no doubt that Chrome Hearts' copyrighted designs were employed to manufacture the molds used to make Defendants' piratical copies.

9 31. Defendants' infringement of Plaintiff Chrome Hearts' Copyrighted Works is to the
10 great and irreparable damage of Plaintiff, and Plaintiff Chrome Hearts is informed and believes, as
11 indicated, that Defendants will continue such infringement unless enjoined by this Court.

32. Plaintiff has no adequate remedy at law and has suffered irreparable damage as a result of Defendants' acts as aforesaid in an amount thus far not determined, but believed to be in excess of One Million Dollars (\$1,000,000).

TRADEMARK INFRINGEMENT UNDER 15 U.S.C. §1114

COUNT II

18 33. Plaintiff Chrome Hearts repeats and realleges every allegation contained in paragraphs
19 1 through 25 and 27 through 32 hereof as though fully set forth herein.

20 34. This claim arises under the provisions of the Trademark Act of 1946, 15 U.S.C.
21 §1051, *et seq.*, particularly under 15 U.S.C. §1114(1), and alleges the infringement of trademarks
22 registered under the laws of the United States.

23 35. Defendants, with full knowledge of the fame and reputation of the Chrome Hearts
24 Mark, have intentionally, knowingly and willfully infringed upon the Chrome Hearts Mark by
25 manufacturing, distributing and selling products bearing counterfeits of the mark or a mark

1 confusingly similar thereto, without the consent or permission of Plaintiff Chrome Hearts, in order
2 to deceive purchasers as to the origin and source of the products.

3 36. The use by Defendants of copies of the Chrome Hearts Mark, or a mark confusingly
4 similar thereto, is likely to cause confusion and mistake in the minds of the purchasing public, and
5 in particular, tends to and does falsely create the impression that the goods sold by Defendants are
6 authorized, sponsored or approved by Plaintiff Chrome Hearts when, in fact, they are not.
7

8 37. By reason of Defendants' use of the Chrome Hearts Mark in the course of
9 manufacturing, distributing and selling their products, without obtaining the authorization of
10 Plaintiff Chrome Hearts, Defendants have infringed upon Plaintiff Chrome Hearts' rights in its
11 registered trademarks.
12

13 38. The goodwill and favorable reputation residing in the Chrome Hearts Mark is a
14 valuable asset belonging to Plaintiff Chrome Hearts, and whose value does not lend itself to exact
15 qualification but is clearly in excess of Eighty Million Dollars (\$80,000,000). There can be no
16 doubt that the acts complained of herein have the potential for inflicting a substantial injury to
17 Chrome Hearts' trademark and goodwill.
18

19 39. Defendants' products, which bear piratical copies of the trademark **CHROME HEARTS**
20 were and are possibly manufactured by inferior processes which have resulted and can result in
21 inferior quality products. By marketing, advertising, and selling Defendants' inferior items
22 bearing counterfeits of the Chrome Hearts Mark, Defendants have damaged Plaintiff Chrome
23 Hearts' goodwill and reputation for the sale of high quality products and will continue to damage
24 Plaintiff's reputation unless enjoined.
25

26 40. The activities of Defendants complained of herein constitute willful and intentional
27 infringement of the Chrome Hearts Mark; are in total disregard of Plaintiff's rights and were
28 commenced and have continued in spite of Defendants' knowledge that the use of the Chrome
29

1 Hearts Mark, or a copy or a colorable imitation thereof, was and is in direct contravention of
2 Plaintiff Chrome Hearts' rights.

3 41. Plaintiff Chrome Hearts has no remedy at law and has suffered irreparable damage as
4 a result of Defendants' acts as aforesaid in an amount thus far not determined, but believed to be
5 in excess of One Million Dollars (\$1,000,000).

FEDERAL UNFAIR COMPETITION

COUNT III

42. Plaintiff Chrome Hearts repeats and realleges every allegation contained in paragraphs
1 through 25, 27 through 32, and 34 through 41 hereof as though fully set forth herein.

11 43. This claim arises under the provision of the Trademark Act of 1946, 15 U.S.C. §1051,
12 *et seq.*, particularly under 15 U.S.C. §1125(a), and alleges the use in commerce of a false
13 designation of origin and false or misleading description of fact and false or misleading
14 representation of fact.

10 44. By reason of the marketing, celebrity status and unsolicited press coverage generated
11 for Chrome Hearts' products at the trade and consumer levels, and the unique quality of the
12 products comprising Plaintiff's entire line, these products are recognized by the trade and
13 consumers as being products designed and hand crafted by Plaintiff Chrome Hearts.
14

20 45. Chrome Hearts' products have become widely known among purchasers as articles
21 that are designed and manufactured by Plaintiff. These products are known to be quality items,
22 with unique designs, made of the highest quality materials, and embodying expert craftsmanship.

23 46. The goodwill of Plaintiff Chrome Hearts and the favorable reputation residing in
24 Chrome Hearts' products is a valuable asset belonging to Plaintiff.

26 47. Defendants, with knowledge of the widespread recognition of Chrome Hearts'
27 products among the relevant segment of the market and with the specific intent to exploit that

1 recognition, have undertaken to make and sell jewelry and accessories bearing counterfeits of the
2 Chrome Hearts Mark. It is Defendants' intention to have their ultimate purchasers believe that the
3 Defendants' copies are made by Plaintiff Chrome Hearts and that persons who see the Defendants'
4 products being worn by Defendants' ultimate purchasers believe that the copies emanate from
5 Plaintiff Chrome Hearts.

6
7 48. By reason of Defendants' sale of jewelry and accessories bearing counterfeits of the
8 Chrome Hearts Mark, the public has been and is being misled as to the nature and quality of goods
9 being sold by Defendants, in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a).

10
11 49. By reason of the foregoing, Defendants have used in commerce, on or in connection
12 with the goods and/or services, a false designation of origin, a false or misleading description of
13 fact or false or misleading representation of fact, including words, terms, names, devices and
14 symbols or a combination thereof which is likely to cause confusion, or mistake, or to deceive as
15 to the affiliation, connection, or association of such Defendants with Plaintiff Chrome Hearts or as
16 to the origin, sponsorship, or approval of Defendants' products, services or commercial activities
17 by Plaintiff with full knowledge of the falsity of such designations of origin or such descriptions
18 or representations, all to the detriment of Plaintiff Chrome Hearts.

19
20 50. Plaintiff Chrome Hearts has no adequate remedy at law and has suffered irreparable
21 damage as a result of Defendants' acts as aforesaid in an amount thus far not determined, but
22 believed to be in excess of One Million Dollars (\$1,000,000).

23
DILUTION

24
COUNT IV

25
26 51. As a complete and third ground for relief, Plaintiff hereby charges Defendants with
dilution and hereby realleges and reasserts all of the allegations contained in paragraphs 1 through
27 25, 27 through 32, 34 through 41 and 43 through 50, hereof as though fully set forth herein.
28

1 52. Defendants' advertising, promotion, offering for sale and sale of goods bearing
2 counterfeits of the Chrome Hearts Mark is likely to dilute the distinctive quality of Plaintiff's
3 name and injure Plaintiff's business reputation in violation of the federal anti-dilution law,
4 Lanham Act §43(c), 15 U.S.C. §1125(c). Defendants' infringing activities have been and are
5 being committed willfully.

6

7 **COMMON LAW UNFAIR COMPETITION
AND TRADEMARK INFRINGEMENT**

8 **COUNT V**

9 53. As a complete and fourth ground for relief, Plaintiff Chrome Hearts hereby charges
10 Defendants with common law unfair competition under the laws of Guam, and hereby realleges
11 and reasserts all of the allegations contained in paragraphs 1 through 25, 27 through 32, 34
12 through 41 and 43 through 50, hereof as though fully set forth herein.

13

14 54. Defendants' manufacturing, distribution and sale of their infringing products
15 incorporating the distinctive designs of Plaintiff Chrome Hearts' products and Defendants'
16 adoption and use of the Chrome Hearts Mark in connection with Defendants' jewelry is likely to
17 cause confusion between such products and the goods sold by Plaintiff Chrome Hearts, thus
18 constituting an infringement of Plaintiff's valuable common law rights.

19

20 55. Upon information and belief, Defendants are "palming off" their infringing products
21 as the high quality merchandise of Plaintiff Chrome Hearts, and are knowingly enabling others to
22 do the same and are thus deliberately and knowingly misappropriating and diverting Plaintiff's
23 valuable proprietary rights and goodwill, and the reputation symbolized thereby, thereby unfairly
24 competing with Plaintiff.

25

26 56. Upon information and belief, Defendants' unfair competition has caused and, if
27 allowed to continue, will continue to cause sales of Plaintiff's products to be lost and/or diverted
28 to Defendants. Further Defendants' unfair competition has caused substantial and irreparable

1 damage and injury to Plaintiff and in particular to its valuable goodwill and reputation, and unless
2 enjoined by this Court, will continue to cause substantial and irreparable damage and injury to
3 Plaintiff.

4 57. Plaintiff has no adequate remedy at law and has suffered irreparable damage as a
5 result of Defendants' acts as aforesaid in an amount thus far not determined, but believed to be in
6 excess of One Million Dollars (\$1,000,000).
7

8 **WHEREFORE**, Plaintiff demands:

9 A. That Defendants, their officers, agents, employees, attorneys and all persons
10 acting in concert, participation or combination with Defendants, be preliminary and permanently
11 enjoined from using the Chrome Hearts Mark in any manner and from using any mark confusingly
12 similar thereto; and from manufacturing, promoting, advertising and selling any products bearing
13 the Chrome Hearts Mark and any mark confusingly similar thereto; and from impliedly or
14 expressly representing any of the products sold by Defendants to be genuine Chrome Hearts
15 products unless such is the case;

16 B. That Defendants, their officers, agents, employees, attorneys and all persons
17 acting in concert, participation or combination with Defendants, be preliminary and permanently
18 enjoined from competing unfairly with Plaintiff, from falsely representing and falsely designating
19 the origin of Defendants' goods, from diluting the distinctive quality of Plaintiff's trademark and
20 from engaging in false advertising;

21 C. That Defendants be required to pay to Plaintiff Chrome Hearts damages in a
22 sum to be determined at trial and to account for all gains, profits and advantages derived by
23 Defendants by the sale or advertisement of any product bearing the Chrome Hearts Mark or any
24 Mark confusingly similar thereto; represented or advertised by Defendants to be a genuine
25 Chrome Hearts product or its equivalent;
26
27

D. That Plaintiff be awarded statutory damages by reason of the infringement of Plaintiff's Chrome Hearts Mark:

3 E. That Plaintiff be awarded statutory damages by reason of the infringement
4 of Plaintiff's Copyrighted Works:

F. That Plaintiff be awarded treble damages, punitive damages, reasonable attorneys' fees and the costs and disbursements of this action;

8 G. That Defendants' products bearing counterfeits of Plaintiff's Chrome Hearts
9 Mark and/or Plaintiff's Copyrighted Works, and any articles used to produce same, be surrendered
10 to Plaintiff:

11 H. That Plaintiff be granted an award of punitive damages in view of the
12 willful and malicious nature of Defendants' tortious acts; and.

I. That Plaintiff have such other and further relief as the Court deems just and equitable.

RESPECTFULLY SUBMITTED this 24th day of July, 2008.

**BLAIR, STERLING JOHNSON
MARTINEZ & LEON GUERRERO
A PROFESSIONAL CORPORATION**

BY: Vincent Leon Guerrero
VINCENT LEON GUERRERO
Attorneys for Plaintiff Chrome Hearts LLC

ATTACHMENTS: EXHIBITS 1 & 2

V63\09810-01
G:\WORDDOC\PLD\VLG\287-COMPLAINT RE CHROME HEARTS.DOC

Exhibit 1

Int. Cls.: 14, 18, 25 and 26

Prior U.S. Cls.: 3, 28, 39 and 40

United States Patent and Trademark Office Reg. No. 1,665,791
Registered Nov. 26, 1991

**TRADEMARK
PRINCIPAL REGISTER**

CHROME HEARTS

CHROME HEARTS, INC. (CALIFORNIA CORPORATION)
303 EAST FOURTH STREET
LOS ANGELES, CA 90013

FOR: JEWELRY, BELT BUCKLES MADE OF PRECIOUS METAL, KEY RINGS MADE OF PRECIOUS METAL, CUFFLINKS, TIE FASTENERS MADE OF PRECIOUS METAL, BROOCHES, NECKLACES AND EARRINGS, IN CLASS 14 (U.S. CL. 28).

FIRST USE 7-27-1989; IN COMMERCE 11-22-1989.

FOR: GARMENT BAGS FOR TRAVEL, TOTE BAGS, SHOULDER BAGS, PURSES AND LUGGAGE, IN CLASS 18 (U.S. CL. 3).

FIRST USE 11-9-1989; IN COMMERCE 11-16-1989.

FOR: CLOTHING; NAMELY, SHIRTS, TROUSERS, JACKETS, VESTS, CHAPS, MEN'S AND WOMEN'S UNDERWEAR, COATS, CLOTHING BELTS, GLOVES AND BOOTS, IN CLASS 25 (U.S. CL. 39).

FIRST USE 4-19-1989; IN COMMERCE 11-9-1989.

FOR: BELT BUCKLES NOT OF PRECIOUS METAL AND TIE FASTENERS NOT OF PRECIOUS METAL, IN CLASS 26 (U.S. CL. 40).

FIRST USE 7-27-1989; IN COMMERCE 11-22-1989.

SER. NO. 74-106,186, FILED 10-15-1990.

CHRISIE BRIGHTMIRE, EXAMINING ATTORNEY

Exhibit 1

Int. Cl.: 14

Prior U.S. Cls.: 2, 27, 28 and 50

United States Patent and Trademark Office

Reg. No. 2,307,126

Registered Jan. 11, 2000

TRADEMARK
PRINCIPAL REGISTER



CHROME HEARTS, INC. (CALIFORNIA CORPORATION)
937 N. CITRUS AVENUE
HOLLYWOOD, CA 90038

FOR: JEWELRY MADE WHOLLY OR IN PART OF PRECIOUS METAL, NAMELY, RINGS, EARRINGS, NECKLACES, BRACELETS, CUFF LINKS, KEY RINGS, BELT BUCK-

LES, WATCHES AND TIE FASTENERS, IN CLASS 14 (U.S. CLS. 2, 27, 28 AND 50).

FIRST USE 4-0-1989; IN COMMERCE 4-0-1989.

OWNER OF U.S. REG. NO. 1,665,791.

SER. NO. 75-490,650, FILED 5-26-1998.

JASON TURNER, EXAMINING ATTORNEY

Int. Cl.: 14

Prior U.S. Cls.: 2, 27, 28 and 50

United States Patent and Trademark Office

Reg. No. 2,284,625

Registered Oct. 12, 1999

**TRADEMARK
PRINCIPAL REGISTER**



**CHROME HEARTS, INC. (CALIFORNIA CORPORATION)
937 N. CITRUS AVENUE
HOLLYWOOD, CA 90038**

FOR: JEWELRY MADE WHOLLY OR IN PART OF PRECIOUS METALS; NAMELY, BRACELETS, NECKLACES, RINGS, PENDANTS, EARRINGS, KEY RINGS, BROOCHES, LAPEL PINS, CUFF LINKS, WATCHES AND BELT BUCKLES MADE WHOLLY OR IN PART

OF PRECIOUS METALS, IN CLASS 14 (U.S. CLS. 2, 27, 28 AND 50).

FIRST USE 7-27-1989; IN COMMERCE 11-22-1989.

OWNER OF U.S. REG. NOS. 1,665,791, 2,214,642 AND OTHERS.

SER. NO. 75-399,215, FILED 12-3-1997.

AMOS T. MATTHEWS, JR., EXAMINING ATTORNEY

Int. Cl.: 14

Prior U.S. Cls.: 2, 27, 28 and 50

Reg. No. 2,216,570

United States Patent and Trademark Office

Registered Jan. 5, 1999

TRADEMARK
PRINCIPAL REGISTER



CHROME HEARTS, INC. (CALIFORNIA CORPORATION)
937 N. CITRUS AVENUE
HOLLYWOOD, CA 90038

FOR: JEWELRY MADE WHOLLY OR IN PART OF PRECIOUS METAL; NAMELY, RINGS, EARRINGS, NECKLACES, BRACELETS, CUFF LINKS, KEY RINGS, BELT BUCK-

LES, WATCHES AND TIE FASTENERS, IN CLASS 14 (U.S. CLS. 2, 27, 28 AND 50). FIRST USE 4-0-1989; IN COMMERCE 4-0-1989. OWNER OF U.S. REG. NOS. 1,665,791 AND 2,118,026.

SER. NO. 75-476,249, FILED 4-29-1998.

CARYN HINES, EXAMINING ATTORNEY

Int. Cl.: 14

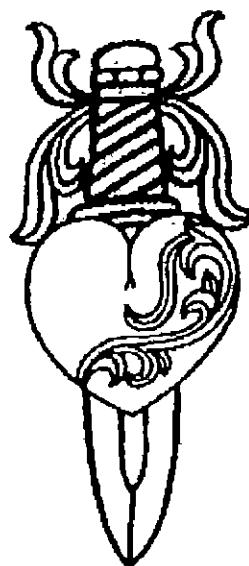
Prior U.S. Cls.: 2, 27, 28 and 50

Reg. No. 2,407,915

United States Patent and Trademark Office

Registered Nov. 28, 2000

**TRADEMARK
PRINCIPAL REGISTER**



**CHROME HEARTS, INC. (CALIFORNIA CORPORATION)
937 N. CITRUS AVENUE
HOLLYWOOD, CA 90038**

**FOR: JEWELRY MADE WHOLLY OR IN PART
OF PRECIOUS METALS; NAMELY, BRACELETS,
NECKLACES, PENDANTS, KEY RINGS, CUFF
LINKS, WATCHES AND BELT BUCKLES MADE**

**WHOLLY OR IN PART OF PRECIOUS METALS, IN
CLASS 14 (U.S. CLS. 2, 27, 28 AND 50).**

**FIRST USE 5-1-1996; IN COMMERCE 5-1-1996.
OWNER OF U.S. REG. NOS. 1,665,791, 2,216,570
AND OTHERS.**

SER. NO. 75-671,093, FILED 3-29-1999.

ANGELA M. MICHELI, EXAMINING ATTORNEY

Int. Cl.: 14

Prior U.S. Cls.: 2, 27, 28 and 50

United States Patent and Trademark Office

Reg. No. 2,954,539
Registered May 24, 2005

TRADEMARK
PRINCIPAL REGISTER



CHROME HEARTS, INC. (CALIFORNIA COR-

PORATION)

915 N. MANSFIELD

HOLLYWOOD, CA 90038

FIRST USE 1-0-1992; IN COMMERCE 1-0-1992.

SER. NO. 76-590,713, FILED 5-6-2004.

TANYA AMOS, EXAMINING ATTORNEY

Int. Cl.: 14

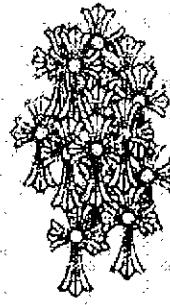
Prior U.S. Cls.: 2, 27, 28 and 50

United States Patent and Trademark Office

Reg. No. 3,385,415

Registered Feb. 19, 2008

TRADEMARK
PRINCIPAL REGISTER



CHROME HEARTS LLC (DELAWARE LTD LIABILITY CO)

915 N. MANSFIELD
HOLLYWOOD, CA 90038

FIRST USE 1-3-1992; IN COMMERCE 1-3-1992,

SER. NO. 78-800,001, FILED 1-26-2006.

FOR: JEWELRY, NAMELY, BRACELETS, NECKLACES, KEY RINGS MADE OF PRECIOUS METALS, RINGS, PENDANTS, WATCH BRACELETS, IN CLASS 14 (U.S. CLS. 2, 27, 28 AND 50).

KELLY CHOE, EXAMINING ATTORNEY

Int. Cl.: 14

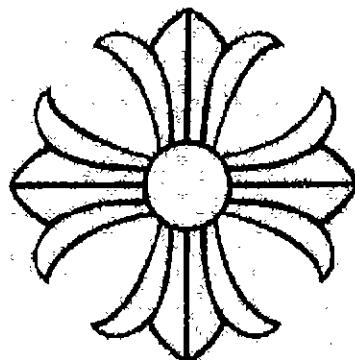
Prior U.S. Cls.: 2, 27, 28 and 50

United States Patent and Trademark Office

Reg. No. 3,385,449

Registered Feb. 19, 2008

TRADEMARK
PRINCIPAL REGISTER



CHROME HEARTS LLC (DELAWARE LTD LIAB CO)
915 N. MANSFIELD
HOLLYWOOD, CA 90038

FIRST USE 1-3-1988; IN COMMERCE 1-3-1988.

SER. NO. 78-833,228, FILED 3-9-2006.

FOR: JEWELRY, NAMELY, BRACELETS, RINGS,
WATCH BANDS, NECKLACES AND LIGHTERS
MADE OF PRECIOUS METALS, IN CLASS 14 (U.S.
CLS. 2, 27, 28 AND 50).

KELLY CHOE, EXAMINING ATTORNEY